

THE AFGHAN CRISIS AND THE 2011 PROBLEM: WHAT NEXT?

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Introduction

This May, President Obama confirmed that his country had embraced a new strategy in Afghanistan by saying: “The U.S. can start withdrawing troops from Afghanistan in July 2011.” The White House supported the new strategy with a 30-thousand-strong additional contingent in this country and a bigger military budget.

The analytic community was left to guess: would the withdrawal be complete or would it introduce new approaches to an old problem? What was behind the new president’s initiative?

How would it affect Central and South Asia, to say nothing of the global geopolitical balance of power?

These and a multitude of other questions are born by the fact that as part of the U.S. foreign policy orbit Afghanistan is no longer a “thing in itself” (to borrow a philosophical term), but just one element among many others in the intricate geopolitical and geo-economic mosaic.

It is beyond the scope of one article, no matter how long it is, to deal with all the aspects

of the current processes, therefore I have limited myself to the financial and economic issues behind the planned withdrawal, the impact of the

Pakistani factor, and the possible consequences as seen from Moscow, Beijing, Tehran, and the Central Asian capitals.

The U.S. Economy as the Key to the Continued Mission in Afghanistan

In 2002, American troops arrived in Afghanistan mainly for geopolitical reasons: historically, the country was, and remains, the “nerve plexus” of Inner Eurasia intimately associated with much of what is going on in Central and South Asia, the Middle East, and the Persian Gulf.

Washington’s real aims are open to conjecture, but one thing is abundantly clear: the U.S. is rich enough to afford being involved in Afghanistan. This was a sort of symbol of America’s global leadership and of its ability to knock together a counterterrorist coalition.

History has taught us that moral authority is but one pillar of leadership: it also requires money. Indeed, leadership survives as long as there is enough money to pay for it (no matter how cynical this sounds).

Before the financial and economic crisis hit the world in August 2008, America’s mission in Afghanistan did not put any particular strain on the U.S. budget. Throughout George W. Bush’s presidency, the steadily increasing military budget drew no objections from Congress; the loss of manpower and materiel was still bearable. Early in 2010, after nine years of fighting, American casualties topped 1 thousand (for comparison, during the ten years of its Afghan campaign, the Soviet Union lost about 15 thousand).

The crisis shook the very foundations of the American financial and economic model, even though the Bush Administration preferred to ignore this; later it had to accept Henry Paulson’s Plan to keep the financial system afloat. Under Obama, the issue came to the fore: the president-elect described withdrawal from the crisis as the key task of his administration.

The American economy (burdened by the two drawn-out military campaigns in Iraq and Afghanistan) is in trouble: the state debt has topped \$12 trillion (about 88 percent of GDP).

The climb has not stopped: in February 2010, the House of Representatives decided to borrow to avoid a default on America’s financial obligations (this will raise the debt to \$14.3 trillion).

The country, living amid a perpetual trade balance deficit, owes nearly \$40 trillion in the domestic and foreign markets.

Today, the Pentagon, which needs greater military budgets to pay for the military involvement in Iraq and Afghanistan, is obviously overtaxing the budget.

In 2009, President Obama endorsed a plan (an economic lifebelt of sorts) under which \$789 billion were poured into the reserves, which still held \$350 billion after George W. Bush’s Troubles Asset Relief Program.

Washington, however, will hardly be able to fund the Program on its own: in 2009, the budget deficit reached the figure of \$1.42 trillion; the forecast for 2010 is \$1.6 trillion. America will have to borrow by selling treasury securities.

Here is where global geopolitics and geo-economics come forward: Afghanistan is but one of the elements in a vast and complicated game in which the funding of the counterterrorist operation is developing into an important political and economic factor of America’s position in the world.

The critics of the Obama Administration's economic policies point out that the budget deficit raises America's dependence on the major foreign holders of treasury securities, the largest of them being China, Japan, the U.K., the Caribbean Banking Centers, OPEC, Brazil, Russia, Hong Kong, Luxemburg, and Taiwan.

The Pentagon, its total budget being \$680 billion, has endorsed military spending in Afghanistan and Iraq at \$130 billion (an increase of \$26 billion against the previous year).

This means that the country will have spent over \$1 trillion on its military operations starting with 9/11.

In this context, we wonder how long foreign creditors will be prepared to buy American securities to help America out of its economic imbroglio and continue funding its involvement in Afghanistan and Iraq?

Optimists believe that American securities can be bought ad infinitum, since they are the most reliable in the world and have never been declared insolvent (even during the Great Depression of the 1930s).

Pessimists predict negative developments in the near future.

Leading financiers side with the latter: in 2009, Warren Buffet, a financial guru, deemed it necessary to warn the investors. He says that the return on these securities is practically zero and that continued injecting money by Washington in the American economy will fan inflation, enemy No. 1 of those investors who earn on fixed income securities.¹

Political analysts, in turn, point to even more fundamental problems created by the global leadership issue. The global political field is not static; its dynamics are fed by never-ending bargaining, accepted and rejected demands, concessions, and established and disrupted balances. This suggests that the more America is prepared to borrow in external markets to address its domestic problems, the greater the demands of all sorts its largest creditors will place on it to acquire political weight and a stronger position in the world system of income distribution.

China, Japan, and countries with developing economies are obviously out to tip the present balance of their relations with Washington—the first sign of imminent problems.

Its considerable foreign exchange reserves and volume of U.S. debt commitments accumulated allow Beijing to stand up to Washington's attempts to influence its monetary and economic policy, as well as its position on the most pressing international problems, such as the Iran and North Korea nuclear files, America's cooperation with Taiwan in the military sphere, freedom of speech, human rights, and other issues.

New prime minister of Japan Yukio Hatoyama, leader of the Democratic Party, insists that America should move its military base from Okinawa to Guam (if done, this will undermine America's military and political position in the Far East).

These contradictions, however, will never develop into a crisis because China and Japan depend on the capacious American market, which generates up to 40 percent of world consumption and is responsible for 21 percent of global GDP, to a no lesser extent than America depends on the securities they have already bought and continue to buy. However, the facts of behind-the-scene bargaining and discussions speak volumes.

It is thought that if Washington fails to reverse the negative economic trends and control the mounting wave of borrowings, it will find it increasingly harder to keep the processes (partly initiated by China) in check. Beijing's now obvious intention to gradually move away from the dollar to its own yuan (developing into a payment facility in China's trade with Asian and Latin American countries) can be interpreted as one of the signs.

¹ See: "Krupneyshie strany-kreditory SShA," available at [<http://rating.rbc.ru/article.shtml?2009/03/03/323231111>].

In June 2009, China began selling U.S. treasuries in increasing amounts. In December 2009, it sold American long- and short-term treasuries and bonds for a total of \$34 billion; by the beginning of 2010, the volume of these assets in China dropped by nearly \$46 billion, which reduced the cost of U.S. debt commitments accumulated by Beijing from \$801.5 to \$755.4 billion.²

This can be described as a tactical move, while the intention to abandon the dollar as a payment facility looks like a long-term strategy.

Seen through the prism of the above, U.S. military spending sheds a different light on its mission in Afghanistan. On the one hand, it is still a symbol of America's global leadership, which allows it to remain in the "geopolitical heart of Eurasia;" while on the other, this involvement is placing a burden on the budget and damaging the U.S.'s position in the global political and economic rivalry.

It seems that the U.S. Administration is torn between the desire to secure its position in Afghanistan and the urgent need to address and resolve its budget problem. This explains why President Obama is resolved to conclude the conflict in Afghanistan by putting increased military pressure on the Taliban and Pakistan (talks with the Taliban are also being contemplated as another option).

It is expected that the White House will profit financially, economically, and geopolitically from peace enforcement and from involving the Taliban's moderate members in national reconciliation.

Indeed, this will lighten the burden on the state budget and channel money into programs designed to lead the country out of the crisis, as well as boost economic growth and allow America to preserve its technological and scientific leadership.

The Obama Administration plans to trim the U.S. budget deficit from \$1.42 trillion to \$533 billion by 2013, mainly by means of much lower military spending coupled with lower dependence on oil imports achieved by developing an energy-efficient economy, abolishing tax privileges for people with annual incomes of \$250 thousand and more, etc.

This will fortify Washington's position in relation to foreign creditors: many of them would like to push America aside in order to increase their own global roles.

This will only be possible if the president succeeds in Afghanistan.

If the United States fails to achieve a radical turn there before mid-2011, the events might follow a different and unwelcome scenario realized as one of several possible alternatives in which the financial and economic factor will figure prominently.

The most radical option is *complete withdrawal (starting in 2011) of the military contingents and full-scale support of Kabul: this will happen against the background of the still unresolved economic problems at home.*

A certain vagueness in Afghanistan and around it will become inevitable; we can expect the Taliban's mounting activity and even a déjà vu situation of the mid-1990s when the Taliban and the Northern Alliance supported from outside were locked in a confrontation. These developments will dramatically undermine Washington's geopolitical position in the region, but will also cut down military spending.

Another possibility should not be excluded: the obvious importance of the Afghan factor for U.S. geopolitical interests in Eurasia *might force Washington to retreat on its troop withdrawal decision in favor of continued involvement despite the growing budget deficit, dependence on creditors abroad, and continued instability in Afghanistan.*

This alternative might turn Afghanistan into a "black hole" of the American budget, which will require growing amounts of material resources, interfere with the economic reforms, and undermine the U.S. geo-economic potential.

² See: "Yaponia oboshla Kitay i stala krupneishim kreditorom SShA," available at [www.newsru.com/finance/17feb2010/bonds.html], 17 February, 2010.

The Afghan mission might continue beyond mid-2011 if the U.S. Administration *achieves economic stability and economic growth; this will earn money for the continued campaign (while the Taliban remains as active as ever)*.

The latest figures testify to positive economic shifts in America; industrial production is reviving even faster than expected. According to the U.S. Federal Reserve System (FRS), in January 2010 the volume of industrial production increased by 0.9 percent (a month earlier the figure was 0.7 percent); the FRS pointed out that industrial growth is obvious in the majority of its main components.³

Inspired by these figures, the optimists insist that the American economy will gradually recover from recession and that the world economy might follow suit.

Pakistan and America's Plans to Resolve the Afghan Crisis by 2011

To achieve a radical turn in Afghanistan in the near future, America needs Pakistan's full-scale and diverse assistance.

Today, Pakistan's territories along the border with Afghanistan are dotted with camps of Taliban fighters and foreign mercenaries who, practically unhampered, cross the border into Afghanistan and return to the bases to rearm and replenish their ranks. This means that money alone cannot bring victory; the militants' transborder activities and their bases must be eliminated.

America's present troubles are rooted, in many respects, in the beginning of the Afghan campaign. In the mid-2000s, having routed the Taliban, the United States concentrated on Iraq; a large part of the Taliban and foreign fighters, meanwhile, found refuge in western Pakistan. Washington, which preferred to ignore this, was confronted with revived rebel activities. Today, it has to augment its military efforts and put pressure on Islamabad.

The main demands on Islamabad are as follows: applying greater force against the Taliban bases in Pakistan; blocking routes by which weapons are delivered; stemming the flow of foreign mercenaries and money; arresting the Taliban's top crust, etc.

In fact, Pakistan is working in this direction; under President Musharraf it tried to defeat the militants entrenched in the Tribal Area; in 2003-2006, Pakistan carried out a series of military operations in North and South Waziristan which led to a peace settlement between the Pakistani Taliban and the country's officials; this failed, however, to undermine the Taliban's position in the border areas.

What looked like hesitation on the part of Islamabad was an objective necessity in a country where the Pashtoon population belongs to or sympathizes with the Taliban; there are many Pashtoons in its ranks on both sides of the border. This means that the use of force would be interpreted as an anti-Pashtoon rather than a counterterrorist action and trigger ethnic clashes. In fact, in the past, and during the military operations in North Waziristan, the militants already exploited this argument to accuse Islamabad of fighting the local people rather than uprooting terror.

These half-hearted policies failed to freeze the situation; they added weight to radical religious organizations, which, on 14 February, 2006, boldly moved forward to announce a new state, the Islamic Emirate of Waziristan.

³ See: "Promyshlennoe proizvodstvo SShA rastet bystree, chem ozhidalos," available at [www.k2kapital.com], 17 February, 2010.

Later, in December 2007, several groups joined forces to set up the Tehrik-i-Taliban Pakistan movement with famous field commander Baitullah Mehsud at the head; he ruled together with the shura, the forty members of which represented all districts of the Tribal Area.

This strengthened the position of the most extreme of the Taliban leaders. As could be expected, it was decided, in December 2008, to capture the Swat Valley. The operation accomplished by a 5-thousand-strong unit under M. Fazlulla made a truce between the Taliban and Islamabad possible: the authorities exchanged the cease-fire for Shari'a laws in the valley.

The Pakistani Taliban was growing ambitious: in April 2009, it captured the Buner District, 100 km away from the capital. President Zardari was forced to launch an operation which moved the Taliban away from the Swat Valley and Waziristan.

The Taliban preserved its position in the country's west; it became painfully clear that no city or town in Pakistan was immune to the diversionary terrorist acts being carried out while the Swat operation was in full swing.

President Obama made public his country's intention to pull out of Afghanistan at the moment the confrontation between Islamabad and the radicals inside the country was at its height; the expert community responded with guesses about Pakistan's possible moves.

Many of its members tend to interpret what the special services did to liquidate some of the most prominent leaders of the Taliban who found refuge in Pakistan as Islamabad's revised approaches.

On 31 January, 2010, leader of the Pakistani Taliban Hakimullah Mehsud died in a missile strike (he had succeeded Baitullah Mehsud and remained at the movement's head for about six months).

In February, Mullah Baradar, an influential deputy of the movement's leader who filled the post of acting defense minister, was arrested; in March, Mullah A. Mohtasim, responsible for strategic military planning, was detained.

Arrests of two shadow Taliban governors and Mullah Kabir, one of the closest associates of Mullah Omar, can be described as spectacular achievements. A missile strike killed M. Hakkani, brother of influential field commander S. Hakkani.

It seems that Pakistan has finally decided to ignore the risk of all sorts of nationalist and religious actions in some of the regions to uproot the Taliban in its territory. The organization, in fact, jeopardized the state's continued existence, threatened its nuclear facilities, hampered its economic development, and undermined social peace.

Pakistan is tired of the unrelenting criticism piled up on it from all sides because of the crowds of religious extremists and foreign fighters camping on its territory, which does nothing for its image and investment appeal. The global financial and economic crisis which hit Pakistan along with the rest of the world pushed money to the forefront of its concerns.

This plays into Washington's hands, which wants to fold up the campaign in Afghanistan in the shortest time possible; it spent a lot of time trying to push Islamabad to make more active anti-Taliban moves.

The media seem to be fond of the "conspiracy" explanation: Islamabad liquidates the Taliban leaders to start a new "game" on the Afghan geopolitical field if and when the Americans leave the country and the talks on official posts for the Taliban begin. Some experts believe that Islamabad is removing the top leaders to regain control over the Taliban and support the moderate leaders capable of peace talks after 2011 and of compromises with Kabul with due account of Pakistan's interests.

This plays into the hands of the United States, which is obviously looking forward to a more or less positive negotiation process between Kabul and the Taliban. This will probably send the regional actors into latent diplomatic activities. Washington will play an arbiter which controls the Afghan authorities and maintains close contact with the Zardari Administration.

Many experts, however, doubt Pakistan's diplomatic skills and its resolve to plunge into the intricacies of diplomatic struggle: this scenario has both its pluses and minuses.

On the one hand, Pakistan will acquire a legal role in the Afghan peace process—today, it has to officially keep away from the Taliban, branded as a terrorist movement on some of the international lists.

At the same time, if some of the Taliban members (recognized as moderates and looking at Islamabad as their patron) are involved in the talks as one of the sides, Pakistan will acquire an instrument for promoting its own interests and improving its international image.

The skeptics argue that there is no strong conviction that once inside the Afghan government the Taliban members, as respected politicians, will continue to obey orders from Islamabad. From that time on, the argument goes, they will be guided by domestic politics and their own economic interests. They might even prefer to shift their allegiance, partly or totally, to the global power centers in order to achieve higher personal legitimacy.

Over time, the Taliban members of the Afghan political establishment might move closer to Pashtoon nationalism for the simple reason that the majority of the Pashtoons look at Afghanistan as their own country in which they constitute the state-forming nation. Pakistan, in which the Pashtoons come second after the Punjabis, is at a disadvantage.

Taken together, these factors might force Islamabad to move cautiously.

The above will be realized only if by mid-2011 Pakistan regains control over its entire territory: the Taliban, or its more radical elements, should be pushed out; moderate leaders prepared to talk to Kabul without preliminary conditions should be encouraged.

So far the Taliban leaders have been flatly refusing to talk to Karzai until the foreign troops have been pulled out of the country.

On the other hand, Pakistan might fail to prevent, by mid-2011, further strengthening of the movement's radical wing in its territory and seal off its border with Afghanistan. The situation will be frozen and the Afghan conflict might enter a phase of uncertainty once more, despite the military success of Pakistan in Waziristan and of NATO in Afghanistan.

In this case, Pakistan's policies will directly depend on the U.S. strategies: if, satisfied with the tactical gains, Washington decides to pull out (starting in 2011), Islamabad will find itself in a difficult situation. Encouraged by the lower American military presence, the Taliban might step up its activities both in Afghanistan and Pakistan.

The 2011 Factor and the Strategic Interests of Russia, China, Iran, and the Central Asian States

America's intention to start withdrawal in mid-2011 sounded like a bolt from the blue for the states with interests in Afghanistan; this move will change the region's geopolitical landscape beyond recognition.

Russia was more concerned than others; Boris Gromov, former commander of the 40th Army which fought in Afghanistan, and Dmitry Rogozin, Russia's representative in NATO, put these concerns on paper. Their article, which appeared in January 2010 in *The International Herald Tribune* and gained wide popularity, warned: "A rapid slide into chaos awaits Afghanistan and its neighbors

if NATO pulls out, pretending to have achieved its goals. A pullout will give a tremendous boost to Islamic militants, destabilize the Central Asian republics, and set off flows of refugees, including many thousands to Europe and Russia.”

And further: “We insist that NATO troops stay in the country until the necessary conditions are provided to establish stable local authorities capable of independently deterring radical forces and controlling the country. That is why we are helping NATO by providing transit for goods and training personnel for Afghanistan, including anti-narcotics officers.”⁴

The concerns are understandable: the pullout will create bad problems for Russia’s Central Asian allies and its own security. More than that: the Taliban’s success will encourage the anti-Russian clandestine movement in the Northern Caucasus.

Meanwhile, what is written about destabilization does not encompass the entire spectrum of Moscow’s interests in Afghanistan as an element of the wide-flung system of Russia’s geopolitical interests and a trump card in its relations with Washington. The train of events going back to 2001 shows that it was Afghanistan which brought Russia and America together; it was much later that it developed into an instrument of their geopolitical rivalry.

In the early 2000s, Russia, which stood by the United States in its fight against the Taliban, raised its status from a declared to a real partner in Washington’s counterterrorist struggle. Moscow even reduced, to a great extent, the Islamist impact on its North Caucasian republics and on some of its Central Asian allies.

At that time, still weak Russia had to exchange its closer cooperation with the United States for America’s military presence in Central Asia and an inflow of Afghan narcotics.

The illusion that Moscow had accepted the role of Washington’s “younger partner” survived until the middle of the first decade of the new century. Fuel prices, inflated by the U.S. war on Iraq, built up Russia’s financial and economic might and revived its geopolitical ambitions. Moscow started talking about its traditional and vitally important zones of interests, from which it refused to retreat in the face of Western pressure. The resulting rivalry with the United States spread far and wide to sensitive spots like Ukraine and Georgia and manifested itself in the idea of an American ABM system in Eastern Europe.

The problems reached their peak during George W. Bush’s second presidential term; simultaneously Russia received its second “geopolitical gift” (the first being the high oil and gas prices sent up by the Iraqi war): the Taliban stepped up its activities, moved into wider areas, and practically closed the Khyber Pass (on the Pakistani border) NATO used as a supply corridor.

A northern route (via Russia and the Central Asian states) was urgently needed to continue deliveries to the NATO troops stationed in Afghanistan; the corresponding agreements were promptly negotiated and signed.

Washington had to retreat on several issues of fundamental importance for Moscow: it had to scrap its plans to establish ABM systems in Poland and the Czech Republic and retreat from its previous position on the Ukrainian elections which put Victor Yanukovich, sworn opponent of the “orange idea,” in power.

So far the United States and NATO cannot become entrenched in the zones of Russia’s traditional influence because they depend on the northern route. If America pulls out of Afghanistan or there is complete stabilization in this country, Russia will be deprived of an important resource of its continental and global policies. In this respect, Afghanistan and the 2011 problem play an important role in Russia’s geopolitics. If and when the pullout takes place, Moscow will have to revise many of its approaches to the West and regional security.

⁴ [<http://www.nytimes.com/2010/01/12/opinion/12iht-edrogozin.html>].

In 2011, Russia will probably have to readjust its regional policies: if the situation stabilizes and the U.S. and allies decide to pull out, Moscow and its CSTO (and possibly SCO) allies will have to shoulder much more responsibility for the region's security than before. To keep the Taliban and foreign mercenaries away, Moscow will have to contemplate extensive military-technical aid to Kabul.

A stable Afghanistan (without the Taliban or in which the enemies have achieved a peace agreement) will deprive Russia of much of its regional influence in the security, freight, and energy transit spheres. Indeed, it will provide the Central Asian states with direct access to the Pakistani ports and the fast growing South Asian energy market.

The planned pullout of American troops has somewhat complicated China's habitual geopolitical context. It likewise profits from the continued American military presence in Afghanistan; it bridles the radical Islamist structures and the Uighur terrorists determined to rock the Xinjiang-Uighur Autonomous region and detach it from China.

At the same time, this feeds Beijing's concerns with wider American influence in Central Asia: Washington might exploit the Uighur factor to push forward its interests in the two countries' bilateral relations in foreign policy, trade, the Yuan exchange rate, human rights, and other spheres.

In the last nine years, while America and NATO have been fighting in Afghanistan, China has been functioning within the geopolitical Cartesian Circle; the planned withdrawal might spoil the Chinese geopolitical game. The fairly complicated geopolitical relations between the two powers are but part of a much more intricate scheme in which they are involved and the balance in which will be upset (as might happen in the case of Russia).

China's rapid economic growth suggests that it will develop into a potential rival of the United States on the global scale; its political and economic interests have already spread across the world. This will infringe (or, rather, has infringed) on America's interests in the raw material sphere in particular.

It stands to reason that economic growth needs natural resources in ever increasing quantities. China is bringing them in from all corners: Africa, Latin America, Australia, and Eurasia. We should always bear in mind that the economy inevitably merges with politics into the phenomenon of geopolitics. Beijing is not alien to political diplomatic maneuvers to achieve guaranteed supplies of raw materials and gain access to foreign markets.

In the process, it treads on the toes of other political and economic actors, the United States in particular. Washington is not merely seeking exclusive access to raw materials but, in some cases, control over important international deals.

The geopolitical competition between the two giants has not yet become open rivalry, however the serious contradictions in certain spheres are too obvious to ignore. Beijing refused to side with Washington, which seeks harsh sanctions against Tehran, for purely economic (Iran is one of the three largest oil exporters to China) and geopolitical considerations.

China responded to America's intended supply of latest armaments to Taiwan totaling \$6.4 billion with a threat of sanctions against American companies (Boeing, United Technologies, and Lockheed Martin, among others).

So far, their close economic ties are keeping their contradictions within limits; in 2008, trade turnover between China and the United States was estimated at the \$409.2 billion level; in 2009, the world financial and economic crisis decreased the figure to \$366 billion.⁵ Experts expect prompt restoration to the old level if America continues its economic revival at the present pace. I have already described the strong financial bonds which keep America and China together.

⁵ See: *USA-China Trade Statistics and China's World Trade Statistics*, USA International Trade Commission, 2009.

The resultant geopolitical phenomenon is highly interesting: it can be described as “economic deterrence” (which brings to mind “nuclear deterrence” of the Cold War period when the threat of mutual annihilation forced the United States and the Soviet Union to maintain a fairly fragile peace).

The high degree of their mutual dependence makes the victory of any of the sides in the present confrontation more than a pyrrhic one.

This balance, however, cannot be maintained forever: if China finds or creates a market equal to (or even more capacious than) the U.S. and a reliable currency (or securities) in which to invest its capital, the balance will be upset.

American withdrawal from Afghanistan and the “economic deterrence” factor will create another Cartesian Circle, a puzzle with numerous constants.

America’s military and political breakthroughs in Afghanistan, for example, will boost its influence in Central Asia, South Asia, and the Middle East and damage China’s geopolitical and geo-economic interests there. It might even be expected that despite its continued presence in Afghanistan, America will improve its budget and stabilize economy. China, which will increase its exports to the United States and encourage its own industrial growth, will also profit. On the other hand, the problems which keep America busy in Afghanistan leave Central Asia, South Asia, and the Middle East open for China’s geopolitical activities.

Continued fighting in Afghanistan, however, might increase the budget deficit in the United States; this will decrease the U.S. export potential and hit the Chinese economy, as well as the social and political situation inside the country. The American market’s decreased capacity will deprive China of new spheres of influence in the raw-material regions: large-scale funding of its geopolitical interests will be hardly justified if the commodities produced from imported materials cannot be sold. On the other hand, increased geopolitical activity might damage China’s relations with the United States and the West as a whole.

It should be said that ideology could prompt investments in expanding the geopolitical zones of influence (this was done by the Soviet Union), but the Chinese leaders are too pragmatic to go along this road.

America’s withdrawal may offer China several more options, all of them related to the “economic deterrence” phenomenon, which in the near future will figure prominently in their geopolitical relations.

Afghanistan holds an important place in **Iran’s** foreign policy, not only because of the common border but mainly because of the U.S. and NATO military presence in Afghan territory.

The far from simple relations between Washington and Tehran are behind the Iranians’ concerns about the American troops fighting in Iraq and stationed in the Gulf and the Indian Ocean. The American-intended withdrawal is directly related to Iranian interests.

At the official level, Tehran supports Afghanistan and its internationally recognized government; Iran is one of its largest trade and economic partners and is investing on a fairly large scale in Western Afghanistan.

The Iranian government objects to any talks with the Taliban; in 1997, when the Taliban murdered seven Iranian diplomats in Mazar-i-Sharif, the sides stopped short of hostilities.

Throughout the 1990s, Tehran extended consistent military-technical and financial support to the Northern Alliance, which was fighting the Taliban.

The year 2011 might change the Afghan policies of Iran and other actors.

In March 2010, President of Iran Ahmadinejad visited Kabul; several well-informed experts (R. Safarov, who heads the Center for the Studies of Contemporary Iran, was one of them) believe that the president came to find out what was in the air and how limited President Karzai’s powers were in the context of America’s military presence.⁶

⁶ See: “Prezident Irana posetil Afghanistan s antiamerikanskim vizitom,” available at [<http://www.kommersant.ru/doc.aspx?DocsID=1334956>], 11March, 2010.

The Iranian president pursued another, much more specific task of strategic importance: Afghanistan should not become a military toehold to threaten Iranian security or to serve as a level of pressure.

Tehran's desire to get a better idea of the processes triggered by the White House is understandable and highly justified; this means that it is adjusting its tactics to America's progress.

Seen from the position of political pragmatism, a pro-American government in Kabul (which will supply the American and NATO military presence with legal arguments) established in the event of national reconciliation or complete routing of the Taliban will not suit Iranian interests.

This development of events will deprive Iran of any more or less substantial political levers to be applied in Afghanistan, while the continued American presence in Iraq will put Iran in geopolitical "pincers."

A pullout before final settlement will do nothing for Iran as well. An open confrontation between Kabul and the Taliban (which is possible if the Afghan conflict develops further) will raise regional tension, bury many of the regional integration projects, and create another refugee exodus to neighboring countries. Afghanistan will become an arena of confrontation of the world and regional forces that move in to support (openly or latently) the opposing sides inside the country.

Tehran will have to side with the official powers, which creates the paradox of Washington and Tehran fighting on the same side.

There is another possibility: the present confrontation between NATO/Kabul and the Taliban could extend to 2011 and further, which will preserve Tehran's present position in the region and which will, therefore, be more or less acceptable.

Complete stabilization in Afghanistan and its neutrality cannot be excluded; in the present global and regional geopolitical reality, however, this looks fairly utopian.

Security of **the Central Asian states** directly depends on the Afghan developments; from the very beginning of the counterterrorist operation, they have been and remain heavily involved in the stabilization efforts; by the same token, they are looking after their own and regional security. A changed format of the Western military presence in Afghanistan will revive the regional security threats created by subversive terrorist activities (after routing the Taliban, NATO essentially removed the threat from the agenda).

Today, the expert community is divided over the ability of the religious extremists based in Afghanistan and Pakistan to expand into Central Asia.

Those who believe that the threat is real refer to the borderline terrain: the Tajik stretch of the border between Afghanistan and Central Asia (which mainly passes through hard-to-access mountain areas) and the Turkmen stretch (predominantly desert and steppe) are seen as the most vulnerable.

Their opponents think differently. They are convinced that the Central Asian border states are strong enough to repel terrorists planning caliphates of all sorts. Uzbekistan has fortified its stretch of the border better than its neighbors: the pessimists and optimists have agreed on this.

They have also agreed that, left alone, Central Asia will not become a bastion of regional security; to become this it needs America, NATO, Russia, and China, in short active contribution from the leading geopolitical forces. This refers, first and foremost, to Tajikistan, Turkmenistan, and Kyrgyzstan, while Uzbekistan's army is the region's largest and most efficient.

Well aware of their strong and weak points when it comes to their security, the Central Asian countries are inevitably concerned about the planned pullout.

Security, however, is not the only problem: Washington's plans and the developments in Afghanistan go to the very roots of Central Asian geopolitics.

In the last decade, Central Asia mastered a fairly stable foreign policy scheme of skilful maneuvering by some of the regional actors between the leading power centers largely based on the Afghan factor responsible for the logic of partner relations and activities among the SCO, CSTO, and NATO and the implementation of certain military-political projects.

This also enables the Central Asian states to protect their security, acquire political and economic dividends, and upgrade their geopolitical status.

The changed nature of the American and NATO presence in Afghanistan and the inevitably affected domestic policy and military processes will likewise affect the components of the so far stable scheme. Theoretically, this may create new models of geopolitical meandering and new studies on an even greater scale.

We cannot exclude several vastly different models consisting of the components described above: the state of America's economy related to the funding of the Afghan campaign; the positive or negative results of confrontation with the Taliban; the geopolitical and geo-economic rivalry between the United States and China; the rivalry between Washington and Moscow in the post-Soviet expanse; the Pakistan factor and the specifics of the U.S.-Iran confrontation. The energy and transport factors are as important as the security-related considerations; together they play the key roles in shaping the geopolitical priorities and regional developments in Central Asia.

Conclusion

It is absolutely clear that the American and NATO presence in Afghanistan can be described as an all-important factor of the geopolitical situation in Eurasia and the world; it will survive in the near future irrespective of the positive or negative developments in Afghanistan.

Any scenario played out before the end of 2011 or beyond that ends the stalemate in Afghanistan will cause a landslide which will upset the worldwide balance of forces and affect all the actors with interests in Afghanistan.